

New York State Clean Heat Program



NYS Clean Heat

First Biannual Stakeholder Conference (11/20/2020) Q&A

General Responses

1. COVID-19

The New York State Clean Heat (NYSCH) Joint Management Committee (JMC) is committed to maintaining public health and safety and will adhere to all Statewide orders, requirements, and guidance regarding COVID-19. This includes, but is not limited to, any Statewide determination on “essential” workforce and “emergency” work categories. The JMC will include relevant updates and resources on this website when appropriate.

2. Incentives eligibility

Currently, only existing New York State electric utility account holders are eligible to receive NYSCH incentives. Other customers, such as municipal customers who have a New York Power Authority (NYPA) account, are not eligible because they do not pay into the system benefit charges that fund energy efficiency initiatives.

3. Program improvements

There was a significant amount of valuable program recommendations from a variety of stakeholders. The JMC will commit to reviewing and prioritizing actionable recommendations and will also forward the feedback to supporting organizations (e.g. utility marketing teams) where appropriate. The recommendations captured include, but were not limited to:

- Increase customer awareness beyond those who are already familiar with the technology
- Explore alternative program offering strategies
 - Early replacement programs, such as a “Cash for Clunkers” model
 - Proactive air conditioner-to-heat pump conversions
 - Positioning heat pump water heaters as a “starter” technology
- Expand messaging to include themes on comfort and air quality
- Provide more transparency on potential customer energy bill impacts due to the technology
 - E.g. incorporate heat pump-specific insights in bill inserts

4. The New York State Technical Resource Manual (NYS TRM)

The JMC uses the NYS TRM to quantify energy savings from heat pumps. Please visit the Department of Public Service’s (DPS) [website](#) for specific resources as well as the official revision process.

5. Natural gas and proposed code changes to better reflect an emissions focus

There were several comments and recommendations from a variety of stakeholders on these topics. The JMC agrees that these are critical issues to be considered, but this is a matter of State policy and not within the authority of the JMC to act upon. The JMC will forward this feedback along to DPS and would recommend future comments on this topic to be brought up directly with DPS.

Growing the Heat Pump Market

What type of tools or resources would be helpful in expanding customer awareness of these technologies?

1. Marketing and consumer awareness

The NYS Clean Heat Statewide Awareness Campaign, set to launch early 2021, is currently under development. This is a collaborative effort between NYSEDA and the Joint Utilities (JUs). The framework of this Campaign will allow for the integration of a common message for NYSEDA, the JUs, and the Clean Heating & Cooling communities.

The NYSEDA Cooperative Marketing and Training PON, which offers cost-sharing of contractor and manufacturer marketing and training efforts, is currently under review for potential revisions and improvements. Also under consideration is the allowance of co-funding of a ‘Geothermal for All’ campaign.

In addition, the JU are working to improve heat pump access to contractors, so that this technology is readily available when needed. Central Hudson is undergoing a midstream pilot offer with select distributors to account for stocking and processing of heat pump water heater units. The goal of this pilot is to ensure contractors have availability to the technology as they are performing sales. This pilot will be monitored and evaluated into 2021.

2. Utility tools and calculators

There are several different utility tools and calculators that are live ([Orange & Rockland](#), [Central Hudson](#)) and planned (Con Edison). The JMC understands the market need for accurate tool data, but stress that these are meant to be representative only and to provide a transparent view of estimated customer costs, regardless of technology. They do not seek to promote one technology over another, but rather to inform the customer and provide them with data to make an informed decision. The JMC welcome any specific feedback on the tools and will connect the industry with the right utility contacts as appropriate.

3. Continued availability of 0% Green Jobs – Green New York (GJGNY) funding

NYSERDA does not have sufficient Regional Greenhouse Gas Initiative (RGGI) funds to sustain a 0% financing program. Although NYSERDA has had success using bonds to support the residential revolving loan fund, the program requires additional RGGI fund allocations to fund loans not funded through bond proceeds. This is because of the difference between the interest rate offered on GJGNY loans and the interest rate paid on bonds, as well as the requirements to pledge excess revenues to cover expected loan losses. When NYSERDA pledges loan cashflows to bonds, they receive only about 70% advance rate (issue \$100,000 in loans only get \$70,000 in bond proceeds) – the remaining comes from budgeted RGGI money.

4. Commercial sector technology awareness

The JMC is reviewing the energy savings calculations methodology from which the program incentive for commercial projects is calculated and will seek to provide clarifications on this as soon as possible in early 2021. Training related to design, cost estimation, and selling of commercial projects will be added to future NYS Clean Heat training courses in 2021.

In what ways has COVID-19 continued to impact customer decisions, business activities, sales pipelines, and project completion?

1. Indoor air quality

The JMC acknowledges that heat pumps can be a factor in improving indoor air quality. This topic is currently being researched by NYSERDA to quantify these benefits. Results will be shared with the public as soon as possible.

Supporting the Contractor Network

How have code, regulatory, and technical considerations played a role in project design and completion?

1. Code enforcement

The JMC acknowledges that code enforcement for heat pump installations varies widely across New York State. This is being taken into consideration in the streamlining of the program and the Quality Assurance & Quality Control (QA/QC) process.

The JMC has also received feedback regarding the appropriate level of post-installation QA/QC needed to ensure high quality installations that will foster both confidence in the technology as well as Participating Contractors. The JMC also seeks to provide clarifications and updates on this process in early 2021.

What new types of contractor/manufacturer/code official training would be helpful in the market?

1. Developing a clean energy talent pipeline

The NYS Clean Heat Statewide Awareness Campaign, set to launch early 2021, is designed to create consumer awareness and drive demand for heat pump installations. An increase in demand for heat pumps will attract new contractors to heat pumps and the program.

NYSERDA has supported two mobile training programs to date. Funding is available for training programs through the [Cooperative Advertising and Training for Clean Energy Partners \(4482\)](#). Multiple [workforce development funding opportunities](#) are also currently available. Feedback provided suggests an enhanced focus attracting younger people into the clean energy workforce – this is a helpful observation and will be considered for inclusion in future workforce development initiatives.

